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Testimony for Development of 2007 Farm Bill - Minot, 7/26/05

To: Hon. Johanns, Sec. of Agriculture

I would like confirmation that you or one of your staff have read this and be open to discuss these alternatives with you.

I am reluctant to provide testimony on government policy, because it seems to be just a waste of time, but I woke up at 4:30 this morning and was disturbed enough about the current state of affairs, I decided to get up and try again.

Let me give a little background: I graduated from NDSU in Fargo in Agricultural Education in 1968 and taught Voc. Agriculture full time till 1974 when I came back and started working into farming. I continued to teach 1/2 time for 13 years to when I was able to rent some additional land. For 3 years I only farmed, and it was a struggle. I went back teaching for 6 years full time until I was appointed County Commissioner and have been reelected to that position now for the last ten years. I have served on numerous boards, committees and active in my home church.

For the last 20-30 years our farm programs have been Low Price Supports and Large Payment Limits. What that has done here in rural North Dakota is it has led to the demise of Family Farms and the development of Mega Farms. I consider a family farm as one where the farm family provides at least 80% of the farm labor force.

LET ME EXPLAIN. I seed about 800-900 acres each year and run about 100 head of beef cattle as a cow-calf operation, where most of my calves are sold off the cow. Very seldom has my farm lost money any one year, but it has never provided enough profit to pay my living expenses, which are somewhat lower than the "average cost of living". My direct government payments are less than \$10,000. Only one year did my total government payments get to \$30,000 and that was when Disaster Payments from the previous year and high LDP from the current year both came in the same year and they were both badly needed. I only hire minor additional help, but generally work daylight to dark and seldom have a family vacation.

WHERE SHOULD WE GO: I have been a long advocate that if we want to sustain strong rural communities, we need to REDUCE THE PAYMENT CAP and INCREASE PRICE SUPPORTS. I believe the Federal Government provides sufficient funds for Farm Programs but it is MISDIRECTED and not going to those who need the financial support.

I feel that total Government Payments should not exceed the FAMILY COST OF LIVING. Once the payments exceed the cost of living, then those payments are used to buy land or pay rent and it bids up land so that a young farmer can't get started or a small farm can't grow to a sustainable size. The government should not be buying land for the mega farmers through large government payments.

I was recently informed that one the largest farmers here in Burke County receives Food Stamps. How can that be, I asked. He said they have incorporated, so they buy insurance, vehicles, etc. through the corporation and only pay themselves for food and clothes so they qualify for Food Stamps. Their Direct payments are well over \$200,000. There is something wrong and it needs to be corrected.

I believe we need to move to a farm program that provides a decent living to a farm family that lives and works on the farm. Moving toward Green payments won't work because the large mega farms will again get all the money. In my county, a farm that receives one of the largest direct payments, also receives one of the largest EQUIP payments, and now there isn't adequate funds for us smaller recipients.

CONSIDERATIONS FOR THE 2007 FARM BILL:

1. Set a goal of Revitalizing and Repopulating rural communities. If the program won't do this, there is no use having one.
2. Greatly Reduce the Payment Cap on all programs. \$50,000?
3. Eliminate corporate entities from government payments.
4. Increase commodity prices by LDP, Loan rate or other price supports by directing them to active farm families.
5. Base government payments on Farm Family. If spouse has a high paying job off the farm the payments should be reduced.
6. Provide Health Insurance. Something has to be done in federal policy to get the cost of Health care under control.

In closing we need to move away from current policy, because it is destroying our rural communities through depopulation with schools and businesses closing. Most mega farms don't patronize local businesses unless they get the best prices.

Thank you for coming to Minot, North Dakota. It is greatly appreciated.

